



Central Bank of Lesotho

Request for Proposal

Central Depository System

Request for Proposal No: *CBL/fnc/TC/8/C/TC/01/2009*

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Tender Box Reception area
Central Bank of Lesotho
Cnr. Moshoeshoe & Airport Roads
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1. Executive Summary

Central Depository Systems play a fundamental role in providing electronic custody of financial instruments and enabling efficiency, reliability and security of the transactions on the instruments. They can manage transactions such as the book-entry transfers of financial instruments from the seller to the buyer against the transfers of funds from the buyer to seller.

The Central Bank of Lesotho has been using the International Monetary Fund (IMF) supplied Book-Entry System as its electronic register of securities since 2001. However, due to major reforms currently being undertaken by the Bank on its securities trading framework and the shortfalls identified in the current system, the Bank has realised a need to implement a new depository solution.

The full requirements of the project are detailed throughout the sections of this RFP. Section 2 of this document provides administrative information for prospective proponents while section 3 addresses the business requirements, the project tasks to be undertaken and the approach for undertaking them. In order to ensure completeness and consistency of responses, proponents are to prepare their proposals in accordance with the format provided in section 2.3 (Proposal preparation).

2. Administrative Requirements Section

The following terms will apply to this Request for Proposal (RFP) and to any subsequent Contract. Submission of a proposal in response to this RFP indicates acceptance of all the following terms.

2.1 Request for Proposal Information

2.1.1 Terminology for this RFP

Throughout this RFP, the terminology is used as follows:

- a) “Bank” means the Central Bank of Lesotho;
- b) “Contract” means the written agreement resulting from this RFP executed by the Bank and the Contractor;
- c) “Contractor” means the successful Proponent to this RFP who enters into a written Contract with the Bank;
- d) “Must”, or “Mandatory” means a requirement that failure to meet shall result in disqualification;
- e) “Proponent” means an individual or body corporate that submits, or intends to submit, a proposal in response to this RFP;
- f) “Should” or “Desirable” means a requirement having a significant degree of importance to the objectives of the RFP.
- g) “Tender Committee” means the Central Bank of Lesotho Tender Committee established by the Governor to issue, receive, assess tenders and recommend selection of successful proponents for the procurement of goods and services.
- h) “IMF” means the International Monetary Fund
- i) “RTGS” refers to the Real-Time Gross Settlement System supplied by Montran and used by the local participating banks for the settlement of high-value and time-critical payments in the country.

2.1.2 Delivery of Proposal

An original and one copy suitable for redistribution should be deposited in the Tender Box at the Reception area of the Bank.

Facsimile or E-mail copies are not acceptable. All envelopes should be sealed, showing no identification of proponent and clearly marked:

Tender for supply of Central Depository System

Ref: CBL/fnc/TC/8/C/TC/ 01/2009

2.1.3 Project Time-Frames

Closing Date and Time: All proposals must be delivered by: **no later than 1430hrs on Friday, 27th February 2009**

2.1.4 Contact Persons

Technical enquiries relating to the business requirement should be directed, in writing, to;

Name: Mr. Refiloe Motjoloane
Title: Senior Business Engineer
Tel: (+266) 22232136
Fax: (+2266) 22310051
E-mail: rmotjoloane@centralbank.org.ls

Administrative inquiries arising from this RFP should be directed, in writing, to;

Name: Mr. Nkuebe Molapo
Title: Secretary, Tender Committee
Tel: (+266) 22232091
Fax: (+266) 22310051/22310679
E-mail: nmolapo@centralbank.org.ls

2.1.5 Reference Material

Any required reference material will be provided upon request, if available.

2.2 Request for Proposal Process

2.2.1 Clarification

Any queries relating to this RFP must be addressed in writing to the relevant person designated in 2.1.4 above. Responses will be sent to the enquirer and posted on the Bank's website.

2.2.2 Eligibility

Proposals will not be evaluated if the Proponent's current or past corporate or other interests may, in the Bank's opinion, give rise to a conflict of interest in connection with this project. Only proposals that comply with all the requirements of this RFP will be considered.

2.2.3 Evaluation and Selection

Only proposals delivered and received properly as specified in 2.1.2 above will be checked first against the Mandatory criteria. Any of them not meeting all the Mandatory criteria will be rejected without further consideration.

Those that do meet the Mandatory criteria will then be assessed and scored against the desirable criteria. The Bank is not bound to accept the lowest or any bid.

2.3 Proposal Preparation

2.3.1 Proposal Format

Evaluation of proposals is made easier when proponents respond in a similar manner. The following format and sequence should be followed in order to provide consistency in proponent response and ensure each proposal receives full consideration:

- a) One page letter of introduction identifying the proponent and signed by the person or persons authorised to sign on behalf of, and bind the proponent to, statements made in the proposal.
- b) Title Page, showing RFP number, proponent's name and address, proponent's telephone number, and a contact person.
- c) Table of contents including page numbers.
- d) A short summary of one or two pages stating the key features of the proposal.
- e) The body of the proposal to include the following elements:

APPROACH

- Should describe in detail how the project will be conducted;
- Must provide a brief description of key activities, their projected start and completion dates and project milestones;
- Must clearly indicate how the Banks deliverables will be produced;
- Must identify how the proponent intends to perform internal quality assurance on project deliverables; how changes will be managed and how issues will be resolved.

DELIVERABLES

- Must clearly state the deliverables produced e.g. project documentation (Paper and/or electronic format with their number of copies), status reports, minutes of meetings, hardware & software, etc.

PACKAGE FEATURES

- Should provide in detail the functionality provided by the proposed product, the technical environment required as well as other general features of the product such as customizability, security, reliability, interoperability, portability, scalability, ease of use, operational platform independence, usage concurrency, number of users, etc;

PROPONENT EXPERIENCE

- Should provide a brief summary of suitability of the proponent which outlines specifically the vendor's track record and experience relevant to this project;
- Where activities were performed as a subcontract or a joint venture, this should be clearly indicated, stating extent of involvement as well as the subcontractor's track record and experience relevant to this project;

PRODUCT GUARANTEES

- Should provide a brief description of any guarantees/warrantees available on the supplied product(s).

REFERENCES

- Proposals should be accompanied by a minimum of two relevant project references preferably from previous implementation sites. A list of previous implementation sites and/or any known package sites with the sites' contact details should also be availed so that they can be contacted during the proponent selection for this RFP;

PROJECT COSTS

- Should provide all costs associated to the project including product costs, implementation costs, license fees, support/maintenance/consultancy fees, training and any other related costs.

PAYMENT SCHEDULE

- Should provide a schedule indicating the project stages at which payments will be made.
- The payments on the schedule should be linked to the deliverables

TRAINING PROVISION

- Should provide the information pertaining to the provision of training including duration, types of training, minimum number of participants, training resources and their types, etc.

MAINTENANCE & SUPPORT PROVISION

- Should provide a proposal for the service level agreement pertaining to the provision of maintenance. This proposal should include the information such as guaranteed response times, guaranteed maximum repair times, procedures for reporting problems, support mechanisms to be used, etc.

f) Any additional information, brochures, etc. should take the form of appendices.

2.3.2 Costs of Responding

Proponents are solely responsible for their own costs in preparing the proposal and for subsequent negotiations with the Bank, if any. If the Bank elects to reject a proposal, the Bank will not be liable to any Proponent for any claims in preparing the proposal whatsoever.

2.3.3 Proposal Validity & Firm Pricing

Proposals should be valid for at least 60 days after the closing date and prices are to be fixed for the entire contract period.

2.3.4 Currency and Taxes

Prices quoted are to be:

- a) in Maloti (1 LSL = 1 ZAR);
- b) inclusive of 14% Value Added Tax
- c) in accordance to applicable Lesotho laws

2.3.5 Compliance to Tax Obligations

Certified copies of Lesotho Revenue Authority (LRA) Tax Clearance certificates or any other relevant authority certificates must be submitted together with the bid.

2.4 Additional Information

2.4.1 Modification of Terms

The Bank reserves the right to modify the terms of this RFP at any time in its sole discretion. This includes the right to cancel this RFP at any time prior to entering into a Contract with the successful Proponent.

2.4.2 Ownership of Proposals

All proposals, including supporting documents, submitted to the Bank become the property of the Bank.

2.4.3 Confidentiality of Information

All proposals submitted by proponents shall be held in strict confidence and will not be revealed to any other party.

All Information pertaining to the Bank obtained by the Proponent as a result of participation in this project is confidential and must not be disclosed without written authorisation from the Bank.

2.4.4 Project Budget

The Bank has only limited funds for carrying out the project; hence price will be among the key deciding factors for consideration in the evaluation of proposals.

2.4.5 Technical Facilities

The Bank will provide working space and access to its network environment. However the Bank may not provide other technical facilities, hence proponents should provide own requisite facilities.

2.4.6 Project Management

The Bank expects proven industry project management techniques to be used in conducting the project.

It is the proponent's responsibility to assume responsibility for the smooth execution of the project. The tasks should include but not be limited to;

- Preparation of the project activity plan including a communication plan.
- Execution of the project activities in accordance to the project plan.
- Undertake periodic reporting on progress on the project
- Creation and maintenance of issues and change logs.
- Quality assurance of all project deliverables

2.4.7 Assumptions

It is assumed that

- Both paper and electronic copies of the deliverables will be submitted to the Bank and retained by the same as required.
- The Bank will ensure that required information is provided, if available, upon request by the proponent and will execute it's obligations to the project in a timely manner.

3. Business Requirements Section

3.1 Requirements and Project Scope

3.1.1 Background

The Central Bank of Lesotho has been using the Book Entry System supplied by the International Monetary Fund (IMF) as its electronic register of securities since 2001. However, due to major reforms currently being undertaken by the Bank on its securities trading framework and the shortfalls identified in the current system, the Bank has realised a need to implement a new depository solution. Hence this initiative of the Bank to achieve its two main objectives namely; to address requirements introduced by the reforms and to address the identified shortfalls in the current solution.

3.1.2 Project Objectives

The specific objectives of the project are;

- a) To implement a CDS solution that will cater for the current functional requirements for securities trading and to address the identified shortfalls in the current book-entry system.
- b) To minimize manual intervention required due to lack of integration among concerned systems (i.e. CDS, RTGS, MIDAS)
- c) To minimize manual intervention through full automation of concerned processes (e.g. delivery versus payment, registrations and maintenance of securities, bonds and equities, etc.)
- d) To improve management reporting and auditability of the system.

3.1.3 Project Scope

In order for the Bank to gain the maximum benefit from the exercise, the proponent will be expected to: -

- a) Study the Central Bank's Securities Trading environment and propose, supply, test and implement the system and/or related hardware and software at the Bank.
- b) Supply the system's documentation in the form of installation media, software licenses, user manuals, administration manuals, etc.
- c) Provide onsite user and administration training to selected personnel from the Bank.

3.1.4 Deliverables

The following deliverables will be expected from this exercise:

- a) Project Charter
- b) Project Plan for carrying out the implementation
- c) Central Depository Software to implement
- d) License keys for the software and all its components
- e) Software Test Report
- f) Operational Central Depository System
- g) System's documentation in the form of installation media, user and administration manuals, software licenses, etc.
- h) Trained personnel in the usage and administration of the system
- i) Maintenance Contract/Service Level Agreement
- j) Project Sign-off

3.1.5 Required Functionality

3.1.5.1 Securities Registration and Maintenance

The Central Bank of Lesotho currently trades in Treasury bills of maturities of 91 days, 182 days, 273 days and 364 days. Efforts are being made to introduce Treasury bonds and run them along with the Treasury bills. All these securities of different maturities and types will be maintained by the depository system being acquired. To achieve this, the system should;

- a) be able to register and maintain relevant information about securities such as;
 - security numbers,
 - security names,
 - security types (i.e. Treasury bill, Treasury bonds, etc.)
 - type of bond (e.g. Zero Coupon Bond, Fixed Coupon Bond, Annuity, etc.),
 - issuer of securities/borrower
 - guarantor
 - coupon rate
 - number of coupon payments
 - the basis for coupon payments
 - whether or not Coupon will be capitalised and if so, the start and end-dates during which coupon will be capitalised.
 - status of security (i.e. issued, redeemed, etc.),
 - maturity period,
 - issue amount,
 - auction dates,
 - settlement dates,
 - maturity dates, etc.
- b) have a built-in search facility to allow users to search the securities based on their key descriptive features.

- c) provide securities related reporting such as;
- holdings by security,
 - transfers by security,
 - Coupon payments by security in the case of bonds
 - maturity profile of securities, etc.

3.1.5.2 Equities Management

In addition to the Treasury bills and bonds discussed above, the Bank is also desirous of introducing Equities in the near future and running the same securities within the same platform for managing the Treasury Bills. To accommodate this, the intended Central Depository system should have the necessary equities and bonds management capabilities that can be incorporated to the base system at the later stage.

3.1.5.3 Participant Maintenance

Participation in securities at CBL consists of the Bank itself, commercial banks, institutional investors and individuals. All these participants need to be registered and maintained by the repository system in order to buy or sell any securities in the market. To maintain this information, the depository system should have the following capabilities:

- a) It should be able to maintain key participant information such as
- participant id,
 - participant names,
 - type of participant
 - status of participant (i.e. active, barred, etc.)
 - physical and postal addresses
 - contact numbers
 - settlement bank
 - settlement account details
 - beneficiary details, etc.
- b) it should have a built-in search facility to allow users to search for participants based on their descriptive features
- c) it should be able to block participants from participating in any securities related transactions in the system for a specified period indicated by the user and be able to unblock them whenever necessary.

- d) it should provide participant related reporting such as
- holdings by participant,
 - transfers by participant,
 - Coupon payments by participant
 - participants by category, etc.

3.1.5.4 Bidding & Auctioning

Participants can place bids in multiples of M 100.00 under the competitive category (i.e. M 100,000.00 and above) or in the non-competitive category (i.e. between M 5, 000.00 and M99, 000.00) on any auction. Auctions are conducted once every two weeks for Treasury bills. All bids placed should be registered and processed by the depository system. To support the bidding and their processing, the depository system should;

- a) have a bid registration feature capable of allowing bids to be placed online by interested bidders and in addition allow the Bank's personnel to input bids directly into the system through a thick-client located at the Bank.
- b) be able to allow the specification of the applicable ranges for competitive and non competitive bids as well as to determine the category of bids based on the amount placed and therefore validate and prevent non-competitive bids from being placed in the competitive category or vice-versa
- c) be able to allow the specification of the minimum allowable bids to validate bids to enforce that bids below the specified minimum cannot be captured
- d) be able to allow the specification of multiples to be adhered to in specifying bids and to enforce that bids captured adhere to the specified multiple
- e) allow up to a maximum of four bids being placed in the competitive category per participant per auction, specifying the security, the face value of securities being purchased and the price for each bid
- f) allow only a single bid to be placed in the non-competitive category per participant per auction, specifying only the security and the face value of securities being purchased.
- g) be able to conduct auctions in a uniform price and multiple price to allow the Bank the flexibility to use any preferred mode of conducting auctions.

- h) award non-competitive allocations prior to any competitive allocations.
- i) determine the cut-off position for the bids placed and to prorate and split cut-off bids in order to ensure that they are awarded on pro-rata basis
- j) determine the award price based on the cut-off position of the bidding and award securities based on this price.
- k) allow the Bank's personnel to specify award prices different from that determined from the cut-off position both in the case of competitive and non-competitive bids to allow the Bank the flexibility to set its preferred award price should the market determined price be unacceptable to the Bank.
- l) allow the provisional¹ allocations of securities to successful bidders prior to the irrevocable allocation of securities.
- m) be able to generate award advices for successful bids indicating such information as the face value of securities being acquired, award price, discount and cost as well as the totals for the face values, discounts and cost prices.
- n) be able to generate unsuccessful bid notices for bidders providing such information as the face value of securities, the bid price and the total of the face values for all unsuccessful bids.
- o) be able to produce a consolidated report indicating the list of participants who settle through a particular settlement bank along with the face value of securities being acquired, award price, discount and cost as well as the totals for the face values, discounts and cost prices for all participants settling through a particular bank.
- p) provide bidding and auction reporting such as
 - a non-competitive bid-list showing such information as the participants, the face-value of securities, the consideration amount and the applicable discounts as well as the summary details including the award price, total face values, total considerations and total discounts.
 - a competitive bid-list showing such information as the participant, bid prices, discount rate, yield to maturity, annual effective rate, face value of securities,

¹ Securities are allocated provisionally to bidders subject to the receipt of the settlement payments. It is only after the receipt of the payments that the allocations can be made irrevocable.

cumulative face value of securities, consideration amount, cumulative consideration amount, discounts and cumulative discounts.

- a bid summary report showing such information as total number of successful and unsuccessful bids per participant category with their total face values, purchase prices and discounts.

3.1.5.5 Sales & Transfers

Any holder of securities can sell his/her securities to another participant in the market thereby changing ownership of the securities from the seller to the buyer. To keep a record of all these transfers in the system, the CDS solution should have the following capabilities;

- a) It should allow the sale of securities from the seller to the buyer thereby debiting the holding account of the seller crediting the holding account of the buyer.
- b) It should be able to produce transfer advices for the seller and the buyer to facilitate the confirmation of the transaction by way of notifications to the seller and buyer involved in the transaction
- c) Provide sales and transfers reporting such as
 - Transfers by security name
 - Transfers by holder/participant
 - Transfers by participant type/categories

3.1.5.6 Collaterals

Like in the case of sales and transfers, any holder of securities can pledge his securities as collateral for loans obtained by the holder from the participating commercial banks. Also upon settlement of the loan on which securities were pledged as collateral, the collateral is released on the securities allowing the holder to freely transact on the securities from then on. In order to keep a record of all these collaterals and their releases in the system, the CDS solution should have the following capabilities;

- a) It should allow pledges of collaterals upon participants pledging a portion or full complement of their securities as collateral thereby debiting the holding account of the participant and crediting the collateral account in the name of the beneficiary commercial bank.
- b) It should allow releases of collaterals on securities upon settlement of the loan for which securities were pledged as collateral thereby debiting the collateral account of the lending commercial bank and crediting the holding account of the participant who had pledged his/her securities as collateral
- c) It should be able to freeze the value of securities credited to the collateral account thereby making such securities inaccessible for any transaction until the lien is released.
- d) It should be able to generate a collateral confirmation advice to both the creator and beneficiary of the collateral.
- e) It should provide such reporting as;
 - Collateral pledges/releases by security name
 - Collateral pledges/releases by holder/participant
 - Collateral pledges/releases by participant type/categories

3.1.5.7 Notifications

Upon completion of the above-discussed transactions namely awards via auctions, sales and transfers, collaterals and releases of collaterals, premature disinvestments, etc, the Bank normally confirms the transactions and informs the involved parties by way of notifications send to the participants. So, in order to support the notification process, the depository system should have the following capabilities

- a) It should be able to send the following system generated notifications electronically and without manual intervention to participants;
 - Award/unsuccessful bid notices for all participants,
 - Sales/Transfers advices for all participants,
 - Collateral pledge/release advices for all participants,
 - Premature disinvestment advice to settlement banks and participants,
 - Coupon payment advice to settlement banks and participants
 - Consolidated participants settlement reports to settlement banks
- b) It should have an online feature through which the settlement banks can access and view their settlement obligations from the system and for participants to be able to access and view their holdings, notifications and any related reporting.

3.1.5.8 Settlements

The Bank intends to channel all its settlements through the RTGS. To achieve this, the commercial banks' clearing accounts will be used for settlement, both in the case of the commercial banks' settlements and for the participants who will be settling through the commercial banks. To cater for this, the intended system should be able to integrate with the RTGS system such that upon incoming settlement payments hitting the Bank's clearing account maintained in the RTGS, the CDS should simultaneously allocate securities to the participants for whom the settlements were made.

3.1.5.9 Coupon Payments

Coupon payments need to be generated in accordance with the specified frequency of Coupon payments. To support this requirement, the CDS should be able to;

- a) generate Coupon payments in accordance with the schedule of the Coupon payments and the coupon rate as determined in the security description.
- b) generate Coupon payment advice to notify the participants of Coupon payments made to them
- c) generate Coupon payment reporting such as
 - forecasts and actuals for bond disbursements
 - forecasts and actuals for Coupon payments
 - forecasts and actuals for capitalised Coupon
 - forecasts and actuals for annuity Coupon
 - forecasts and actuals for principal payments
 - etc.
- d) be able to invoke the generation of outgoing payment instructions via the RTGS for the payout of the Coupon payments and send it with a notification of the Coupon payments being send to the participant's settlement bank and the participant.

3.1.5.10 Premature Disinvestments

As a lender of last resort, the Bank allows participants to disinvest their securities through it. The Bank however allows such disinvestments only to be made after 75% of the holding time of such securities has elapsed. Upon disinvestment, the Bank imposes penalties on such transactions. Currently the penalty rate is 4 percentage points above the prevailing discount rate of the security but the Bank may review this rate from time to time. Payout for disinvestments is also channelled through the settlement process wherein the proceeds of the disinvestment are deposited into the participant's settlement bank's clearing account. To support these, the system should be able to;

- a) disallow any disinvestments from being undertaken before the securities have run for 75% of their holding time,
- b) allow the relevant users within the Bank to set a penalty rate for disinvestments and be able to change it as and when necessary,
- c) calculate penalties applicable for disinvestments based on the set penalty rate and utilize it to calculate the payable amounts after penalties have been deducted,
- d) be able to invoke the generation of outgoing payment instructions via the RTGS for the payout of the disinvestment and send it with a notification of the redemption being send to the participant's settlement bank and the participant.

3.1.5.11 Redemptions

When securities mature, they are normally redeemed from the system. Upon redemption the Bank also channels its payouts through the RTGS by sending payment instructions to the settlement banks both in the case of the banks' own holdings and that for their customers holding securities in the Bank. To support the redemptions process, the CDS should;

- a) be able to produce a consolidated report indicating the list of participants for a particular settlement bank whose securities are due for redemption along with their face value of securities owned, award price, discount and cost as well as the totals for the face values, discounts and cost prices for all participants settling through a particular bank.
- b) be able to invoke the generation of outgoing payment instruction via the RTGS for the payout of the redemptions and send it with a consolidated report of redemptions being sent to the participant's settlement bank.
- c) allow administrative users to specify a period of time in which redeemed securities may be maintained and enforce that the securities are archived individually after having run the specified time after redemption.

3.1.5.12 Withholding Tax Calculations

According to Lesotho Tax regulations, a withholding tax, which is currently 10% for resident participant and 15% for non residents, is chargeable on all investments. The withholding tax rate may also vary should there be changes of the rate in the regulations. To support this, the system should;

- a) allow the relevant users within the Bank to set withholding tax rate applicable to both residents and non-residents and be able to change it as and when necessary, and
- b) calculate withholding tax applicable on disinvestment proceeds based on the set tax rates and utilize it to calculate the payable amounts after the taxes have been deducted

3.1.6 Package Quality Features

In addition to the functional features discussed above, the intended product should have the following quality features:

3.1.6.1 Privacy

In order to ensure adequate protection of the system from unauthorised accesses, the system should have the following features;

- a) It should allow administrative users to specify a level of password complexity to be used and to enforce the specified password complexity.
- b) It should allow administrative users to set the period by which the passwords should expire and enforce the expiry of the passwords after the specified period.
- c) It should allow administrative users to set the number of previous passwords that should not be used upon changing a password and enforce that the specified number of previous passwords cannot be used upon changing passwords.
- d) It should allow administrative users to set the number of unsuccessful sign-on attempts before logging out a user and enforce the unsuccessful sign-on attempts upon logging in.
- e) It should prohibit simultaneous use of the same user ID.
- f) It should allow administrative users to set the period in which a session is allowed to be idle and to prompt for login credentials to access the system, after the system has been idle for a period beyond the allowed time.
- g) It should allow administrative users to specify a minimum password length and to enforce that passwords used are of this length or more
- h) It should allow administrative users to define users' access profiles at both group and individual level and grant or deny accesses to the system's objects based on the specified access profile.
- i) It should prompt and force users to change passwords given to them by administrator when they make first logon to the system.

3.1.6.2 Accuracy

To ensure the information maintained by the securities depository system is free from mistakes or errors and that it always has the value expected by the end users, the CDS should have the following capabilities;

- a) It should have data validation controls to ensure the data input is always correct and accurate.
- b) It should be able to provide warning messages to inform the users about the effects of their actions before the actions can be committed.
- c) It should be able to enforce a two stage update for all transactions involving any movement of securities from one party to another in order to ensure that all the changes made at the capturing stage are confirmed by another party before the transaction can be completed.

3.1.6.3 Data Authenticity

To ensure that the information maintained in the CDS has been acted upon through authorised means, the system must generate and maintain non editable audit trails and reports that detail the system activity so as to avoid any compromise to the integrity of the audit trails.

3.1.6.4 Compatibility

The system should

- a) Communicate using popular network protocols including TCP/IP
- b) Have the capability to deploy over the web

3.1.6.5 Portability

The system should

- a) Work with a variety of standard operating systems including Windows, Unix and Linux
- b) Support multiple database platforms including Oracle, SQL Server and MySql

3.1.6.6 Customizability

The system should

- a) allow creation of custom reports to enable the Bank to create its own reports in addition to the system's standard reports
- b) be parameter driven to allow the Bank to select options which are more suitable to it

3.1.6.7 Reliability

The system should be robust with proven minimal mean time between failures in previous implementation.

3.2 Evaluation Criteria

The following criteria will form the basis upon which the evaluation of the proposals will be made and scores assigned. Proposals not meeting Mandatory requirements will receive no further consideration during the evaluation process.

3.2.1 Mandatory Criteria

- An original and one copy (suitable for photocopying) of the proposal must be received on time and be deposited in the tender box
- Pricing
 - All-inclusive fixed price proposal quote with breakdown into fees and disbursements.
- Proposal for Service Level Agreement
- Ability to meet a minimum of 75% of the project requirements².
- The proposed solution should have the following functionalities
 - ✚ Securities Management
 - ✚ Participants Management
 - ✚ Equities & Bonds Management
 - ✚ Bidding & Auctioning Management
 - ✚ Sales & Transfers Management
 - ✚ Liens/Collaterals Management
 - ✚ Notifications Management
 - ✚ Coupon Payments Management
 - ✚ Pre-Mature Disinvestment Management
 - ✚ Settlement component with RTGS integration
 - ✚ Withholding Tax Calculation Management

² See items A) to F) in the Evaluation Criteria Model for the project requirements.

3.2.2 Desirable Criteria

Proposals meeting the Mandatory criteria above will be further evaluated as follows:

(a) Approach

- Suitability of the methodology to be used to drive out the expected deliverables as outlined in the project descriptions and plans.
- Adequacy of proposed quality assurance on project deliverables
- Suitability of proposed change management and issue resolution strategies

(b) Business Requirement Fulfilment

- Extent to which the proposed package offering suits the Bank's requirements with respect to software functionality and quality features specified in 3.1.5 and 3.1.6 respectively.

(c) Suitability and Commitment of Proponent

- Suitability of available references
- Availability of product guarantees

(d) Market Perception & Product Exposure

- Number of known package sites
- Number of package sites in the Banking Sector

(e) Training Offering

- Training course(s) provided
- Format of training provided
- Resources for training

(f) Support & Maintenance Offering

- Proposed guaranteed maximum repair times
- Proposed guaranteed response times
- Support mechanisms proposed

(g) Costs

- Product Costs
- License Fees Costs
- Support/Maintenance/Consultancy
- Implementation Costs

The evaluation criteria model outlined in Appendix A will be used to score proponent proposals

Appendix A Evaluation Criteria Model

MANDATORY CRITERIA	0%
1. Original and a redistributable copy of the proposal received on time and deposited in the tender box	Yes/No
2. All-inclusive fixed price proposal quote with breakdown into fees and disbursements	Yes/No
3. Comprehensive proposal for Service Level Agreement	Yes/No
4. Proposal meets a minimum of 75% of project requirements	Yes/No
5. Solution includes all the required key features	Yes/No
Failure to achieve a “Yes” rating for all the Mandatory criteria above will disqualify the proponent’s proposal from further review.	

DESIRABLE CRITERIA	100%
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A) APPROACH	10%
6. Methodology/project plan for producing deliverables	
7. Quality assurance strategy	
8. Change management and Issue Resolution strategy	
B) Business Requirement Fulfilment	40%
9. Required Functionality	
10. Package Quality Features	
C) Proponent Suitability & Commitment	5%
11. Suitability of references	
12. Availability of product guarantees	
D) Market Perception & Product Exposure	5%
13. No. of known package sites provided	
E) Training Offering	10%
14. Training Participants Accommodated	
15. Training Courses	
16. Format of Training	
17. Training resources	
F) Support & Maintenance Offering	10%
18. Guaranteed Repair Time	
19. Guaranteed Response Time	
20. Support Mechanisms	
G) PRICING	20%
21. Product Costs	
22. License Fees	
23. Support/Maintenance/Consultancy	
24. Professional Fees	
25. Any Other Costs	